

**THE FEDERAL TAX OMBUDSMAN
ISLAMABAD**

COMPLAINT NO.5138/KHI/IT/2022

Dated: 22.11.2022* R.O, Karachi.

Mr. Azizullah Khan, ...Complainant
House # 34, Street #7, Gulishtan Colony,
Mirza Adam Khan Road, Lyari, Karachi.

Versus

The Secretary, ...Respondent
Revenue Division,
Islamabad.

Dealing Officer : Mr. Badruddin Ahmad Quraishi, Advisor
Appraised by : Mr. Muhammad Tanvir Akhtar Advisor
Authorized Representative : The Complainant in person,
Departmental Representative : Mr. Jamil Ahmed, IRO, RTO-II KHI

FINDINGS/RECOMMENDATIONS

The above-mentioned complaint was filed in terms of Section 10(1) of the Federal Tax Ombudsman Ordinance, 2000 (FTO Ordinance) against nonpayment of sanctioned refund amounting to Rs.19,245 for Tax year 2017

2. Briefly the Complainant, a retired Inspector-IR, filed income tax return for Tax year 2017 claiming income tax refund amounting to Rs.19,968. The department (Deptt) issued refund order under section 170(4) of the Ordinance determining refund of Rs.19,245 on 09.06.2022. However, no refund was credited into bank account of the complainant despite repeated visits, hence this complaint.

3. The complaint was referred to the Secretary, Revenue Division for comments in terms of Section 10(4) of the FTO Ordinance read with Section 9(1) of the Federal Ombudsmen Institutional Reforms Act, 2013. In response, the Chief Commissioner-IR, RTO-II Karachi vide letter dated 30.11.2022 submitted comments stating that the refund order had already been

passed on 09.06.2022 and the Secretary (Revenue Budget), FBR had also been requested vide letter dated 28.11.2022 to transfer the refund in the declared bank account of the complainant.

4. On the contrary, Chief Manager-IR (Operations) vide letter no. PRAL/CM(Ops)/137243806 dated 07.12.2022 submitted that the relevant Assessing Officer passed the order with rejected amount and he did not insert any amount against field 'refund issued'. Therefore, the subject matter may please be forwarded to relevant field office for rectification of the issue.

4. Both the parties were heard and record perused.

5. It is observed that the Deptt issued refund order under section 170(4) of the Ordinance determining refund of Rs.19,245 on 09.06.2022 for tax year 2017 almost after five years to a retired Inspector of his own Deptt. But no refund was credited into bank account due to mistake in the order dated 09.06.2022 in IRIS by the Assessing Officer who failed to insert any amount against sanctioned refund amount at the bottom of the refund order causing unnecessary delay and harassment.

6. In terms of section 170(4) of the Ordinance the Deptt is required to issue refund within sixty days of filing of refund application which it has failed to do so. Therefore, non-payment of refund within statutory period of sixty attracts maladministration under section 2(3)(ii) & (v) of FTO Ordinance.

FINDINGS

7. Inordinate delay in payment of determined refund for Tax Year 2017 tantamount to maladministration in terms of Section 2(3)(i)(b), (ii) & (v) of the FTO Ordinance.

RECOMMENDATIONS:

8. FBR to direct: -

- (i) Commissioner Withholding Zone-V, RTO-II Karachi to ensure requisite correction in refund order dated 09.06.2022 for tax year 2017 as pointed out by PRAL's Chief Manager -IR (Operations) vide letter dated 07.12.2022
- (ii) Secretary (Revenue Budget), to transfer the refund amount to IBAN of the complainant
- (iii) report compliance within ~~45~~ ³⁰ days


(Dr. Asif Mahmood Jah)
(Hilal-i-Imtiaz)(Sitara-i-Imtiaz)
Federal Tax Ombudsman

Dated: 3:2: 2023

Approved for reporting ~~---~~